

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED
AUG 23 1995

In the Matter of)

Streamlining the International Section)
214 Authorization Process and)
Tariff Requirements)

IB Docket No. 95-118

To: The Commission

COMMENTS OF
PANAMSAT CORPORATION

PanAmSat Corporation ("PanAmSat") submits these comments in response to the Notice of Proposed Rulemaking ("NPRM") in the above-referenced proceeding. As a separate satellite system operator, PanAmSat currently provides international voice, video, and data services between and among countries in North and South America, the Caribbean, Europe, and Asia.

In the NPRM, the Commission has proposed to streamline the international Section 214 process. Specifically, the Commission has proposed to issue global international Section 214 authorizations and to allow nondominant carriers to add circuits on noncommon carrier facilities based on their initial Section 214 authorizations. For the reasons outlined below, PanAmSat fully supports the changes proposed by the Commission.

I. DISCUSSION

As the Commission has recognized, unnecessary and onerous government regulation of international telecommunications service providers has had an

No. of Copies rec'd 5
List A B C D E

adverse impact both on U.S. industry and consumers.¹ In some cases, government interference with market forces through unnecessary regulation has slowed the introduction of new services and delayed the development of the global information infrastructure. In others, unnecessary government regulations have handicapped entrepreneurs attempting to enter the international telecommunications marketplace. As a result, U.S. service providers have been hampered in their efforts to compete with foreign communications providers.

The NPRM signals the advent of a new day. In the NPRM the Commission proposes several significant modifications to its international Section 214 authorization procedures which should substantially reduce the amount of burdensome paperwork required of international carriers, improve the administrative efficiency of the Commission, and enable U.S. industry to compete vigorously in the international telecommunications marketplace.

PanAmSat fully supports the Commission's proposals. In combination with on-going efforts to eliminate the restrictions on separate satellite systems' participation in the market for telecommunications services connected to the public switched network² and the Commission's proposed streamlining of satellite application and licensing procedures,³ the changes proposed in the NPRM may have a profound impact on the introduction and growth of competition in the international satellite services marketplace.

¹ NPRM ¶ 1.

² See generally Motion to Apply the "Fresh Look" Doctrine to Comsat, File No. 108-SAT-MISC-95 (filed Apr. 25, 1995).

³ See Streamlining the Commission's Rules and Regulations for Satellite Application and Licensing Procedures, Notice of Proposed Rulemaking, IB Docket No. 95-117 (rel. Aug. 11, 1995).

A. Global Section 214 Authorizations

Currently, the Commission's Rules require facilities-based international Section 214 applications for common carrier services to specify the country to be served, the services to be rendered, and the facilities to be used.⁴ In the NPRM the Commission has proposed to allow facilities-based Section 214 applicants to request global authority to provide international services over authorized facilities to virtually every country of the world.⁵ In addition, applications for global Section 214 authority submitted by nondominant carriers without foreign affiliations would be subject to streamlined processing similar to that used for resale applications.⁶

PanAmSat supports these proposals. In combination, these changes would speed the application process for international authorizations and would allow international carriers to expand or modify their businesses without undergoing burdensome and unnecessary regulatory procedures. In turn, international satellite providers like PanAmSat can expect more robust demand for their services as their customers can more efficiently use satellite capacity to meet market demand. This new, more fluid market will not only benefit carriers and international satellite providers, it will also enhance consumer welfare by providing service providers with the flexibility to respond rapidly to customer needs.

In addition, the proposed rule changes will increase the administrative efficiency of the Commission. Without significantly decreasing the amount or quality of information available to the Commission, or impairing the Commission's ability to monitor compliance with international service restrictions, the proposed

⁴ 47 C.F.R. § 63.01(e)-(f) (1994).

⁵ NPRM ¶ 10.

⁶ NPRM ¶ 10.

rule changes will substantially reduce the paperwork processing demands made on the Commission staff. As a result, staff resources that would otherwise be committed to processing individual Section 214 applications on a country-by-country basis should be available for other important regulatory tasks. In an era of increasing pressure on agencies to “reinvent” themselves and improve government efficiency, such optimization of resource utilization will be essential to the success of the Commission’s mission.

B. Use of Capacity On Private Satellite Systems

The Commission also has proposed to eliminate its requirement that nondominant facilities-based carriers obtain Section 214 authority to add circuits on noncommon carrier facilities such as private satellites.⁷ As the Commission explained, the level of competition among private carrier facilities has obviated individual Section 214 applications for carriers seeking to acquire capacity on private satellite systems.⁸

PanAmSat agrees with the Commission’s conclusion. Although the Commission’s current rules may once have seemed necessary for long-term planning purposes and the protection of Intelsat and its owners, there simply no longer is any remote justification for continuing to require Section 214 authorization for nondominant carriers seeking to add capacity on private satellite systems. Yet, although unnecessary, the requirement places a serious burden both on the Commission staff and U.S. industry. Thus, while costs of the current

⁷ NPRM ¶ 26.

⁸ NPRM ¶¶ 23-25.

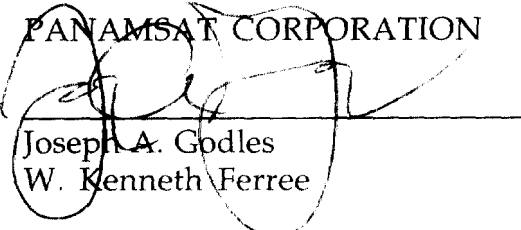
requirement are significant, the benefits approach zero. Where that is the case, the unnecessary regulation should be eliminated.⁹

II. CONCLUSION

For the reasons set forth above, the Commission should adopt the proposals outlined in the NPRM.

Respectfully submitted,

PANAMSAT CORPORATION



Joseph A. Godles
W. Kenneth Ferree

GOLDBERG, GODLES, WIENER & WRIGHT
1229 Nineteenth Street, NW
Washington, DC 20036
(202) 429-4900

Its Attorneys

Gregg Daffner, Esq.
Vice President, Government Affairs
PanAmSat Corporation
One Pickwick Plaza
Greenwich, Connecticut 06830
(203) 622-6664

August 22, 1995

⁹ See Home Box Office, Inc. v. FCC, 567 F.2d 9, 36 (D.C. Cir.) (government regulations that cannot be justified must not be retained), cert. denied, 435 U.S. 829 (1977). For similar reasons, PanAmSat supports the Commission's proposal to reduce the information required to be supplied in Section 214 applications. See NPRM ¶¶ 40-41.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Comments of PanAmSat Corporation was sent by first-class mail, postage prepaid, this 23rd day of August, 1995, to each of the following:

- * Chairman Reed Hundt
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554
- * Hon. Andrew C. Barrett
Federal Communications Commission
1919 M Street, N.W., Room 826
Washington, D.C. 20554
- * Hon. James Quello
Federal Communications Commission
1919 M Street, N.W., Room 802
Washington, D.C. 20554
- * Hon. Susan Paula Ness
Federal Communications Commission
1919 M Street, N.W., Room 832
Washington, D.C. 20554
- * Hon. Rachelle B. Chong
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554
- * Brian O'Connor
Chief, Policy and Facilities International Bureau
Federal Communications Commission
2000 M Street, N.W.
Washington, D.C. 20554
- * Helene Schrier
International Bureau
Federal Communications Commission
2000 M Street, N.W.
Washington, D.C. 20554

Mr. Larry Irving
Assistant Secretary
National Telecommunications and
Information Administration
14th & Constitution Avenue, N.W., Rm. 4898
Washington, D.C. 20232

John Windhausen, Esq.
Subcommittee on Communications
U.S. Senate
227 Hart Senate Office Building
Washington, D.C. 20510

Mr. Kevin Joseph
Subcommittee on Communications
U.S. Senate
227 Hart Senate Office Building
Washington, D.C. 20510

Regina Keeney, Esq.
Subcommittee on Communications,
Science and Transportation
United States Senate
554 Dirksen Office Building
Washington, D.C. 20510

Mr. David Leach
Energy and Commerce Committee
House of Representatives
2125 Rayburn Building
Washington, D.C. 20515


Mr. Paul Schultz
Telecommunications Reports
1333 H Street, N.W.
11th Floor, West Tower
Washington, D.C. 20005

Mr. Brock Meeks
Communications Daily
2115 Ward Court, N.W.
Washington, D.C. 20037

Patrick Seitz
Space News
Army Times Publishing Company
6883 Commercial Drive
Springfield, Virginia 22159

David Bross
Satellite News
Phillips Publishing Company
7811 Montrose Road
Potomac, Maryland 20854

Mr. Joe Burey
Washington Telecom Week
1225 Jefferson Davis Highway
Suite 1400
Arlington, Virginia 22202


_____/s/ Dawn Hottinger_____
Dawn Hottinger

* Hand Delivered